

Congress of the United States
Washington, DC 20515

April 21, 2020

The Honorable Jovita Carranza
Administrator
U.S. Small Business Administration
409 3rd Street, SW
Washington, D.C. 20416

Dear Administrator Carranza,

Thank for your continued efforts to provide critical and necessary support to America's working families and small businesses during this exceptionally challenging time. As the administration implements the Paycheck Protection Program (PPP) as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, we urge you to issue guidance that considers the unique challenges facing seasonal employers.

Colorado is home to many of the nation's most popular ski areas, which serve as the economic drivers for their surrounding mountain communities. While a number of these businesses are owned by publicly traded companies, many of them are operated under private or family ownership. The economic impact of these seasonal businesses is wide-reaching, from supporting the hospitality industry to attracting visitors who generate significant commercial activity at local restaurants and shops. Indeed, according to a 2015 study, it is estimated that Colorado's ski industry supports more than 46,000 jobs and generates approximately \$4.8 billion in economic activity each year.

One of the foundations of this important economic enterprise is the combination of a seasonal and year-round workforce that supports the ski industry through both the busy winter and spring seasons, and the slower summer and fall. As the seasons change, activity at the ski areas decrease, seasonal employees are no longer required, and many areas operate with a small base of year-round, full-time employees. Therefore, depending on the time of year, the number of employees fluctuates dramatically for many local ski businesses. The same can be said for a number of other outdoor recreation businesses, each with their own respective peak seasons.

As you may know, the current temporal limitations of the PPP structure unfairly disadvantage these seasonal businesses, given that employee retention is needed for maximum loan forgiveness. The result is that many seasonal businesses with small year-round staff are prevented from fully participating in PPP programs. Given the unknown impacts of the COVID-19 pandemic on the future of business operations, it is critical that we consider these unique circumstances and ensure PPP guidance supports these jobs through pandemic-related closures.

Specifically, we are concerned about the PPP loan program look-back period. Unfortunately, the current loan forgiveness lookback period – February 15, 2019 through June 30, 2019 – needlessly harms winter seasonal employers. During that time period, winter employers will

have higher employment levels in comparison to the eight-week period covered by PPP in 2020. Therefore, we request that in the case of seasonal businesses, the SBA update PPP guidance to allow for alternative look-back periods for purposes of loan forgiveness in order for these businesses to fully benefit from the program and ensure that they can retain as many employees as possible.

As we continue to fight the COVID-19 pandemic, our local communities that rely on strong tourism and seasonal business will be among the most economically vulnerable. It is crucial that we take all the necessary steps to protect them.

Thank you for your consideration of this critical issue.

Sincerely,



Joe Neguse
Member of Congress



Diana DeGette
Member of Congress



Michael F. Bennet
United States Senator



Ed Perlmutter
Member of Congress



Scott Tipton
Member of Congress



Cory Gardner
United States Senator



Jason Crow
Member of Congress